

**Amendment to the Drawings**

Attached is a replacement sheet of Figure 1A.

**Remarks**

Applicants thank the Examiner for carefully considering the subject application.

Applicants have amended the specification to conform to the drawings, and thus submit that the objections raised have been overcome.

Turning now to the claims, Applicants respectfully submit that the cited reference fails to show the limitations of claim 1. In particular, Applicants can find no disclosure of adjusting engine torque to compensate for the torque effect of adjusting operation of the valves. In other words, when the valves are adjusted to reduce the potential for interference in response to sensor degradation, there may be an increase or decrease in engine output. To reduce such an impact on the vehicle operator, the approach of claim 1 adjusts engine torque to compensate for this effect. In this way, improved drive feel may be achieved even when adjustments are made due to sensor or actuator degradation.

Note that the various approaches are available for compensating engine torque when adjusting the valves to reduce interference. For example, throttle position can be adjusted to provide more or less engine torque to compensate for cam timing or lift adjustments. Alternatively, or in addition, ignition timing changes/adjustments can also be used. Still further, if operating with a lean combustion air-fuel ratio, fuel adjustments can be used.

The above argument further applies to claims 15, 18, and 19. As such, Applicants respectfully request that the rejection of the claims be withdrawn.

Based on the foregoing comments, the above-identified application is believed to be in condition for allowance, and such allowance is courteously solicited. If any further amendment is necessary to advance prosecution and place this case in allowable condition, the Examiner is courteously requested to contact the undersigned by fax or telephone at the number listed below.

Please charge any cost incurred in the filing of this Amendment, along with any other costs, to Deposit Account No. 06-1510. If there are insufficient funds in this account, please charge the fees to Deposit Account No. 06-1505. A duplicate copy of this sheet is enclosed.

CERTIFICATE OF MAILING

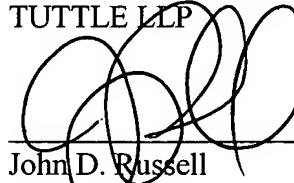
I hereby certify that this correspondence is being sent via first class mail to Mail Stop AMENDMENT, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450 on May 2, 2005.



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Respectfully submitted,

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